

1985 No. 353

SOCIAL SECURITY

The Occupational Pension Schemes (Preservation of Benefit) (Amendment) Regulations (Northern Ireland) 1985

Made 16th December 1985

Coming into operation 1st January 1986

The Department of Health and Social Services, in exercise of the powers conferred on it by Article 43C(7) of, and paragraphs 9(2) and (3), 12(2) and 26 of Schedule 3 to, the Social Security Pensions (Northern Ireland) Order 1975(a) and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Occupational Pension Schemes (Preservation of Benefit) (Amendment) Regulations (Northern Ireland) 1985 and shall come into operation on 1st January 1986.

(2) In these regulations “the principal regulations” means the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1984(b).

Amendment of the principal regulations

2.—(1) The principal regulations shall be amended in accordance with the following provisions of this regulation.

(2) Regulation 12(4)(b)(ii), and the word “and” immediately preceding it, are revoked.

(3) The following paragraphs shall be added at the end of regulation 12—

“(5) In any case where the rules of the scheme make provision for either or both of the alternatives mentioned in paragraph (1)(a) and (b) to be substituted for short service benefit, they shall also contain provisions requiring the trustees or managers of the scheme to be reasonably satisfied that, on the date when the alternative (if a lump sum) is or (if a pension) becomes payable, the value of the alternative equals or exceeds the value specified in paragraph (10).

(6) In any case where the rules of the scheme make provision for the alternative in paragraph (1)(e) to be substituted for short service benefit, they shall also contain provisions requiring the trustees or managers of the scheme to be reasonably satisfied that where, on the date when the insurance company or friendly society assumes an obligation to pay benefits either to the member and, if appropriate, dependants of his, or to trustees of a trust for the benefit of the member and, if appropriate, dependants of his, the circumstances specified in paragraph (9) obtain, the payment made by the trustees or managers of the scheme to the insurance company or friendly society equals or exceeds the value specified in paragraph (10).

(7) In any case where the rules of the scheme make provision for the alternative specified in paragraph 9(2)(a) of Schedule 3 (transfer of member’s accrued rights to another scheme with a view to the acquisition for him of transfer

(a) S.I. 1975/1503 (N.I. 15); Article 43C was inserted by Article 14 of, and Schedule 4 to, the Health and Social Security (Northern Ireland) Order 1984 (S.I. 1984/1158 (N.I. 8))

(b) S.R. 1984 No. 332, the relevant amending regulations are S.R. 1985 No. 243

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Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Occupational Pension Schemes (Preservation of Benefit) (Amendment) Regulations (Northern Ireland) 1985 and shall come into operation on 1st January 1986.

(2) In these regulations “the principal regulations” means the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1984(b).

Amendment of the principal regulations

2.—(1) The principal regulations shall be amended in accordance with the following provisions of this regulation.

(2) Regulation 12(4)(b)(ii), and the word “and” immediately preceding it, are revoked.

(3) The following paragraphs shall be added at the end of regulation 12—

“(5) In any case where the rules of the scheme make provision for either or both of the alternatives mentioned in paragraph (1)(a) and (b) to be substituted for short service benefit, they shall also contain provisions requiring the trustees or managers of the scheme to be reasonably satisfied that, on the date when the alternative (if a lump sum) is or (if a pension) becomes payable, the value of the alternative equals or exceeds the value specified in paragraph (10).

(6) In any case where the rules of the scheme make provision for the alternative in paragraph (1)(e) to be substituted for short service benefit, they shall also contain provisions requiring the trustees or managers of the scheme to be reasonably satisfied that where, on the date when the insurance company or friendly society assumes an obligation to pay benefits either to the member and, if appropriate, dependants of his, or to trustees of a trust for the benefit of the member and, if appropriate, dependants of his, the circumstances specified in paragraph (9) obtain, the payment made by the trustees or managers of the scheme to the insurance company or friendly society equals or exceeds the value specified in paragraph (10).

(7) In any case where the rules of the scheme make provision for the alternative specified in paragraph 9(2)(a) of Schedule 3 (transfer of member’s accrued rights to another scheme with a view to the acquisition for him of transfer

(a) S.I. 1975/1503 (N.I. 15); Article 43C was inserted by Article 14 of, and Schedule 4 to, the Health and Social Security (Northern Ireland) Order 1984 (S.I. 1984/1158 (N.I. 8))

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credits under the other scheme) to be substituted for short service benefit without the member's consent (whether under paragraph (4)(b)(i) or regulation 19(2)), they shall also contain provisions requiring the trustees or managers of the scheme to be reasonably satisfied that where, on the date when the accrued rights are transferred, the circumstances specified in paragraph (9) obtain, the payment made by them to the trustees of the other scheme equals or exceeds the value specified in paragraph (10).

(8) Paragraphs (5) to (7) apply only in relation to members of schemes whose service in relevant employment is terminated on or after 1st January 1986.

(9) The circumstances mentioned in paragraphs (5) to (7) are that either—

- (a) the member in question has not made a timeous application in writing under paragraphs 15 and 16 of Schedule 1A to the Pensions Order(a) (transfer values); or
- (b) he has made such an application, but—
 - (i) it has been withdrawn,
 - (ii) he has lost his right to any cash equivalent under paragraph 15(3)(a) or (c) of the said Schedule 1A, or
 - (iii) he never had such a right.

(10) The value mentioned in paragraphs (5) to (7) is—

- (a) where the alternative is by way of complete substitute for short service benefit, the value, on the date mentioned in that paragraph, of any benefits which have accrued to or in respect of the member in question under the applicable rules;
- (b) where the alternative is by way of partial substitute for short service benefit, the value, on that date, of the relevant part of any benefits which have so accrued.

(11) In paragraph (10), "the applicable rules" has the same meaning as in paragraph 12(2) of Schedule 1A to the Pensions Order."

(4) Regulation 26 is revoked.

Amendment of the Contracting-out (Protection of Pensions) Regulations (Northern Ireland) 1984

3. Regulation 3 of the Contracting-out (Protection of Pensions) Regulations (Northern Ireland) 1984(b) is revoked.

Sealed with the Official Seal of the Department of Health and Social Services on 16th December 1985.

(L.S.)

A. N. Burns

Assistant Secretary

(a) Schedule 1A was inserted by Article 4 of, and paragraph 3 of Schedule 1 to, the Social Security (Northern Ireland) Order 1985 (S.I. 1985/1209 (N.I. 16))

(b) S.R. 1984 No. 444; to which there is an amendment not relevant to the subject matter of these regulations

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These regulations further amend the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1984 so as to require that where under a scheme an alternative to short service benefit such as is mentioned in regulation 12(1)(a), (b) or (e) of those regulations may be provided for a member, the alternative must equal or exceed in value the member's accrued rights. They also revoke other regulations which are no longer required.